

## Message Text

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14

ACTION EB-07

INFO OCT-01 NEA-10 ISO-00 FEA-01 AGR-05 CEA-01 CIAE-00

COME-00 DODE-00 FRB-03 H-02 INR-07 INT-05 L-03 LAB-04

NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-04

TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 XMB-02

OPIC-03 SIL-01 PM-04 /101 W  
----- 072219

R 130955Z JAN 76

FM AMEMBASSY KATHMANDU

TO SECSTATE WASHDC 3939

INFO AMEMBASSY NEW DELHI

LIMITED OFFICIAL USE KATHMANDU 0173

E.O. 11652: N/A

TAGS: ETRD, EGEN, PFOR, IN, NP

SUBJ: INDIA EASES EXPORT CONTROLS TO NEPAL

1. ACCORDING TO ANNOUNCEMENT OF INDIAN EMBASSY JANUARY 9  
GOI HAS AGREED TO REDUCE EXPORT CONTROLS ON 54 ITEMS OF  
HARDWARE AND METAL PRODUCTS TO NEPAL, THEREBY PARTIALLY  
REVERSING DECISION TAKEN IN 1975 TO APPLY SAME STANDARDS  
TO NEPAL AS THOSE APPLYING TO EXPORTS OF GOODS TO NEIGHBORING  
STATES SUCH AS SRI LANKA OR BANGLADESH.

2. NEW REGULATIONS SPECIFY THAT 45 ITEMS MAY BE EXPORTED TO  
NEPAL AT PREVAILING INDIAN DOMESTIC PRICES WITH NO QUANTITATIVE  
QUOTAS. AN ADDITIONAL 9 ITEMS, INCLUDING BARBED WIRE, CAST IRON  
PIPES AND STEEL RODS CAN BE SOLD AT DOMESTIC RUPEE RATES, BUT  
ARE LIMITED TO 2000 TONS PER ANNUM. HMG OFFICIALS HAVE TOLD US  
THAT QUOTAS ARE MORE THAN SUFFICIENT FOR NEPAL'S NEEDS AND THAT  
REAL IMPORTANCE OF DECISION LIES IN ABILITY TO PURCHASE  
PRODUCTS AT INDIAN DOMESTIC PRICES. FOUR ITEMS, INCLUDING STEEL  
ROD, SHEETS AND PLATES WILL CONTINUE TO BE SOLD THROUGH STATE  
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TRADING ORGANIZATION AT WORLD PRICES.

3. COMMENT: HMG OFFICIALS ARE CLEARLY PLEASED AT GOI  
WILLINGNESS TO REVERSE EARLIER REGULATIONS AND SEE THIS AS  
CONCRETE BENEFIT ACCRUING FROM PRIME MINISTER'S POLICY OF  
IMPROVING RELATIONS WITH GOI. THEY ARE ALSO QUICK TO  
POINT OUT, HOWEVER, THAT THEY HOPE THIS IS FIRST STEP WHICH  
WILL BE EXTENDED TO OTHER ITEMS ON WHICH QUOTAS WERE PLACED  
FOLLOWING THE DETERIORATION OF RELATIONS IN EARLY 1975. CARGO

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EXPORT CONTROLS, METAL PRODUCTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 JAN 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
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**Film Number:** D760011-1182  
**From:** KATHMANDU  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760163/aaaacdvv.tel  
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**Office:** ACTION EB  
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